

{As Prepared for Delivery}

**Virginia Farm Bill Forum
November 1, 2005**

**Thomas C. Dorr
Under Secretary for Rural Development
Opening Remarks**

[To be introduced by moderator Norm Hyde. Sarah Lyons, President, Charlottesville 4-H, will lead the Pledge of Allegiance]

Thank you, Norm, for that kind introduction, and thanks Sarah, for taking the time to start us off in the right spirit. And thanks to everyone here for coming out today.

I'm especially glad to see Bill Dickinson [VA Deputy Secretary of Agriculture and Forestry] and Jeremy Carter from Congressman Goodlatte's staff on the House Agriculture Committee. This isn't just a USDA show.

This is one of a series of Farm Bill Forums -- over 30 so far, and counting -- being held around the country in preparation for writing the next Farm Bill, which is due in 2007. This is an important process.

It's an idea that was kicked off earlier this year by President Bush and Secretary Johanns. The President and Secretary Johanns looked a couple of years down the road -- that's an eternity in politics -- and said, we've got two years to work on this thing. Let's get it right. Let's get everyone involved and start talking through the issues.

This Forum today is a continuation of that discussion. It's important because we face significant changes in farming and in rural America.

Our basic farm policy structure was created in the 1930's to deal with the depression. That was a different world:

- “Rural” meant farming, ranching, and forestry, and small towns catering to those industries.**
- Rural also meant isolated.**
- Farmers still plowed behind horses and mules, and most farms didn't have electricity or indoor plumbing.**
- Markets were local and regional, and at least in agriculture, foreign competition wasn't yet much of an issue.**

That was only 70 years ago. Less than a lifetime. Today it's very different, and farm policy needs to adjust.

- **In just 70 years, we've gone from over 6 million to 2 ¼ million farms, and just 250,000 of those produce most of our food.**
- **We've gone from plowing behind mules to gene splicing, GPS mapping on a furrow-by-furrow scale, and scientific advances that are producing ever-greater yields with fewer inputs.**
- **The vast majority of the 60 million people who live in rural areas don't farm at all, and 96% of the total income in rural areas is from non-farm sources.**
- **And rural residents expect the same services -- good schools, access to quality health care, emergency services, modern infrastructure -- that we take for granted in cities and suburbs.**

That's what this next Farm Bill is about -- not just farming, although that's important, but also overall economic opportunity and the quality of life in rural communities.

In looking at all these changes, I'm an incurable optimist. Sure, there are challenges and tough choices, but there are also tremendous new opportunities.

That is why the Farm Bill is a chance to help rural communities recognize and take advantage those opportunities. Change is only a threat if you are not prepared for it. If we ARE prepared, change is an opportunity.

For rural areas today, alternative energy is a good example. Ethanol is taking off. So is biodiesel. We are seeing increasing investment in wind, biomass, and methane gas recovery.

Cellulosic ethanol is just over the horizon, and if and when that comes on-line -- and I think it's "when," not "if"-- it's going to be Katie-bar-the-door, because the feedstock costs for ethanol are going to plummet.

All this is market driven, and that's important because it means this is here to stay. \$60 a barrel oil changes the profitability equation for

everything else. And these are tremendous opportunities for rural areas -- for farmers, and for creating good off-farm jobs as well.

Broadband is another big factor. Most businesses today can be done just about anywhere. That's a new thing, and it allows rural areas to capitalize on their quality of life and lower living costs.

For generations, we assumed that most young people, if they got an advanced education, would end up leaving a rural community. They had to, to get a good job. In my class for example, I was one of the very few who came back after college. That was 40 years ago.

One of our goals today is to create more opportunities in rural communities so young people have better choices.

We're also concerned with conservation and a cleaner environment. That's a greater issue all the time.

We're concerned with keeping American farmers competitive in world markets. That means we're very concerned with agricultural sciences, ag education, and infrastructure.

We're concerned with barriers to entry. We need a support system that is fair to current producers but that also works for the next generation of farmers.

If we can get these, or at least some, things right, we can build a wonderful future for rural America. We're holding these Forums because these issues affect everyone who lives in rural areas, and because none of us has a monopoly on good ideas. My role today is to listen.

I can assure you that these Forums are serious business. The transcripts are posted on the USDA website. I hope you'll take a look to see what others around the country are saying. And I appreciate your participation today. I look forward to hearing from you.